

REMARKS

In light of the remarks to follow, reconsideration and allowance of this application are respectfully requested.

Claims 1-86 are pending in this application. Claims 59 and 60 were omitted from the preliminary amendment because they were not amended, not because they were canceled.

Applicants appreciate the indication that claims 2, 8, 10, 16, 18-24, 26-33, 36, 38, 41-45, 47-50, 62-67, 73-79 and 82-84 would be allowable if rewritten in independent form. Applicants believe rejected claims 51-58, which are similar to allowable claims 18 and 26, should also be allowable. Claims 59 and 60 were not examined and were therefore not rejected.

Claims 1, 3-7, 9, 11-15, 17, 25, 34-35, 37, 39-40, 46, 51-58, 61, 68-72, 80-81 and 85-86 were rejected under 35 U.S.C. §103(a) as being unpatentable over Miwa et al. (EP 09 42418) in view of Kuroda et al. (EP 09 69463).

However, the present claims recite "embedding sub data at least into margin bits of said main data." (Claim 1; all independent claims contain similar limitations) As described in paragraphs 55-57 of the specification, the margin bits are useful for seaming data symbols and adjusting DC balance. Miwa and Kuroda fail to disclose embedding the sub data into the margin bits. The embedding means in Miwa is a watermark (for example, embedding into the brightness of a macro block) as described in paragraphs 16-18, 23-27 and Figure 3. Likewise, Kuroda discloses only a "watermark" which does not embed in the margin bits. Accordingly, for at least this reason, Miwa and Kuroda fail to meet the embedding into margin bits limitation of the present invention, and the rejected claims should now be allowed.

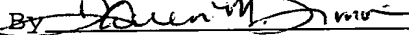
As it is believed that all of the rejections set forth in the Official Action have been fully met, favorable reconsideration and allowance are earnestly solicited.

If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that he/she telephone applicant's attorney at (908) 654-5000 in order to overcome any additional objections which he might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095.

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Respectfully submitted,

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